

Q. How are the Insurance rates determined each year?

- A. The Health Care Commission (HCC) reviews all aspects of the health plan annually. Part of the review process involves an actuarial analysis completed by an actuary firm in order to estimate the expenses the plan will incur and how much revenue is required to pay for those expenses. The HCC also receives recommendations from the Employee Advisory Committee (EAC) that is comprised of 21 members (18 active employees and 3 retired employees). The EAC reports to the HCC their recommendations for the plan design and employee/employer contribution amounts for the upcoming plan year. The HCC tries to follow as many of the EAC recommendations as feasible while making sure the health plan remains solvent.

Q: Why does the health plan have a reserve fund?

- A. The health plan has a reserve fund to provide that the State of Kansas maintains the ability to pay for services utilized by the membership.

Q: How high is the spousal rate going to be next year and the following years until the "correction" is complete?

- A. There are a number of variables involved when projecting the increase for the next plan year. All of these variables are subject to change which includes the utilization of the plan benefits by the spousal members. The current projection provided by the health plan actuary is a 20+% increase.

Q: Why is employee + family contribution less than employee + children?

- A. The employer (ER) contribution for the Health Savings Account (HSA) and Health Reimbursement Accounts (HRA) for Plan C members have been reduced by \$500 for the employee and \$500 for a covered spouse. There is no spousal coverage on the employee plus children so only a \$500 reduction is required.

Employees on Plan C can earn up to \$500 in HSA/HRA funds by completing HealthQuest activities during PY 2017. If their spouse is covered under the SEHP, the spouse can also earn up to \$500 into the employee's HSA/HRA by completing HealthQuest activities. On the coverage tiers without spouses, the employee can earn \$500 for their HSA or HRA account while the coverage tiers that include spouses allow both the employee and the spouse to earn up to \$500 each toward the employee's HSA or HRA.